



THE NAVAJO NATION

OFFICE OF THE PRESIDENT & VICE PRESIDENT

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Navajo President Joe Shirley, Jr., says carbon capture sequestration further indicates that Desert Rock will be world leader in clean power

WINDOW ROCK, Ariz. – Navajo Nation President Joe Shirley, Jr., said today that the Desert Rock Energy Project's application for carbon capture and sequestration grant is another indicator that the Navajo Nation can be a world leader in clean coal power generation.

"For two years we've said that the Navajo Nation and Sithe Global would be willing to implement carbon capture and sequestration technology to make Desert Rock the technology leader for the world," the President said. "This grant application is our plan for that. We're very hopeful the Department of Energy will see the potential to have the U.S. and the Navajo Nation lead the world."

In August, the Desert Rock Energy Co. submitted an application through DOE's Clean Coal Power Initiative to seek \$451 million for the costs associated with the addition of carbon capture, compression, and a pipeline spur to an existing CO₂ pipeline. The captured CO₂ would be used to help with oil recovery in west Texas. Desert Rock would pay 56 percent of the costs associated with this project.

The proposed project would integrate advanced ultra supercritical boiler technology and advanced pollution controls to condition the exhaust of a 750-megawatt unit and capture the CO₂ using Fluor Corporation's Econamine FG PlusSM technology. It would then be combined with the compression needed to prepare the CO₂ for transportation through a new, approximately 64-mile long pipeline spur to the existing Kinder Morgan Cortez CO₂ pipeline.

The existing Cortez pipeline will transport the CO₂ to the west Texas oil fields where it will be put to use in enhanced oil recovery. Kinder Morgan is the leading transporter and marketer of carbon dioxide in North

America. Kinder Morgan delivers approximately 1.3 billion cubic feet per day of CO₂ through some 1,300 miles of pipelines.

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– Navajo Nation President Joe Shirley, Jr.

Desert Rock has assembled one of the world's best technology teams. Participants include Fluor Corporation, a leading American engineering and construction company that will supply the most advanced carbon capture technology and engineering; BHP, one of the world's leading mining companies, and Kinder Morgan, the leading transporter and marketer of carbon dioxide in North America.

The Desert Rock project would contribute more than \$500 million in payroll to the local economy, and provide employment for more than 780 skilled workers over a five-year period. Unemployment on the Navajo Nation exceeds 50 percent, and the average annual income is less than \$15,000.

The Desert Rock project would pay more the \$54 million annually in revenues to the Navajo Nation through taxes, lease, right of water and water rights fees and coal royalties.

If approved, the DOE grant would prove a carbon capture technology that is efficient for use on pulverized coal plants that could be used for most of the existing coal plants in the United States.

The Desert Rock CCPI project will meet all mandatory eligibility requirements of the funding opportunity by:

- Capturing 57 percent of the flue gas, exceeding DOE's 50 percent minimum.

- Exceeding DOE's Cost of Energy goal by 30 percent.
- Capturing and sequestering three million tons of CO² annually, exceeding the 300,000 ton DOE goal, and;
- Operating the project with coal mined in the US through the expansion of an existing Navajo coal mine on the Navajo Nation adjacent to the DREP site.

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